



The Commonwealth of Massachusetts

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

NOTICE OF FILING AND PUBLIC HEARING

D.T.E. 06-42

May 10, 2006

Petition of Bay State Gas Company for a precedent agreement for firm natural gas storage and related agreements.

On April 28, 2006, Bay State Gas Company ("Bay State" or "Company") filed a petition with the Department of Telecommunications and Energy ("Department") for approval of a long-term storage agreement with Washington 10 Storage Corporation ("Washington 10") and long-term transportation agreements (collectively, "Agreements") for firm service with Vector Pipeline L.P. and Vector Pipeline Limited Partnership. The Company states that approval of these Agreements will allow Bay State to access less-costly gas supplies at the Chicago trading hub. In addition, the Company states that by increasing its storage capability, Bay State will have more flexibility to stabilize and hedge against high winter prices and satisfy daily swing requirements on its system cost-effectively.

The Department will hold a public and evidentiary hearing on Wednesday May 31, 2006, at 10:00 a.m. to receive comments on the Company's filing, at the Department's offices, One South Station, Boston, Massachusetts. Any person who desires to comment may do so at the time and place noted above or submit written comments no later than the close of business (5:00 p.m.) on Tuesday, May 30, 2006. The Department will conduct an evidentiary hearing immediately following the conclusion of the public hearing.

Any person who desires to participate in the evidentiary phase of this proceeding must file a written petition for leave to intervene with the Department not later than the close of business (5:00 p.m.) on Tuesday, May 30, 2006. A petition for leave to intervene must satisfy the timing and substantive requirements of 220 C.M.R. § 1.03. Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 C.M.R. § 1.01(4). To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

An original and three (3) copies of all written comments or petitions to intervene must be filed with Mary L. Cottrell, Secretary, Department of Telecommunications and Energy - One South Station - 2nd Floor, Boston, Massachusetts 02110, not later than the close of

business on the dates noted above. One copy of all written comments or petitions to intervene should also be sent to the Company's counsel, Patricia M. French, 300 Friberg Parkway, Westborough, Massachusetts 01581.

Please submit a copy of all nonproprietary written pleadings, comments, or petitions to intervene to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us and john.geary@state.ma.us; or (2) on a 3.5" disk, IBM-compatible format. The text of the e-mail or the disk label must specify: (1) the docket number of the proceeding (D.T.E. 06-42); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. Text responses should be formatted as either Word Perfect, Microsoft Word, or Adobe PDF compatible files. Data or spreadsheet responses should be compatible with Microsoft Excel. All comments submitted in electronic format will be posted on the Department's web site: <http://www.mass.gov/dte>.

A copy of the Company's filing is on file at the Department's offices, One South Station, Boston, Massachusetts for public viewing during business hours (Monday through Friday, 9:00 a.m. - 5:00 p.m.). Copies are also on file for public viewing at Bay State's offices, 300 Friberg Parkway, Westborough, Massachusetts. Any person desiring further information regarding the Company's filing should contact Bay States' counsel, Patricia M. French, at (508) 836-7394. Any person desiring further information regarding this notice should contact the hearing officer, John J. Geary at (617) 305-3500.

By Order of the Department,

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Mary L. Cottrell, Secretary



The Commonwealth of Massachusetts

**DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY**

ORDER OF NOTICE

D.T.E. 06-42

May 10, 2006

Petition of Bay State Gas Company for a precedent agreement for firm natural gas storage and related agreements.

Bay State Gas Company ("Bay State" or "Company") is required to publish the attached Notice of Filing and Public Hearing ("Notice") in either The Boston Globe or the Boston Herald, and each of the following: the Lawrence Eagle Tribune, The Brockton Enterprise, and the Springfield Republican. Bay State shall also serve a copy of the Notice on the service list in Bay State Gas Company, D.T.E. 02-75 (2004), at least fourteen (14) days prior to Wednesday, May 31, 2006; and make return of service and proof of publication at the time of the public hearing.

By Order of the Department,

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Mary L. Cottrell, Secretary